

## Code of Business Conduct for Employees

(Amended and Restated as of May 24, 2011)

### Introduction

Our reputation for integrity and fair dealing is essential to our continued success, and we believe that we have long fostered a culture which serves to assure that we so operate with our customers, vendors and service providers, as well as with each other. In addition to the policies contained in this Code, we have promulgated policies on specific topics over the years, and other relevant requirements are incorporated into specific employment and other agreements (when applicable) or policies to which we are subject.

This Code of Conduct applies to all employees of the Company and each of its subsidiaries, as well as the Company's directors and officers. By doing this, we are not replacing or limiting any other applicable requirements, including the special rules applicable to our executive officers, directors and accounting personnel related to financial reporting, nor are we suggesting that a set of rules is preferable to basic notions of propriety and common sense by which we all operate day to day.

We have posted this Code of Conduct on our website, which contains other information of relevance to the general subject, including our current procedures for reporting possible violations.

### Compliance with Laws, Rules and Regulations

The Company and our directors, officers and other employees are committed to obeying all applicable laws, rules and regulations of the states and countries in which we do business. If a law, rule or regulation is unclear, seek advice from your supervisor, a more senior manager or the Company's General Counsel. Furthermore, each of us must always seek to act in accordance with the standards of business conduct as outlined in this Code of Conduct.

### Conflict of Interests

Our stockholders own the business and we are their stewards. This means that we have to avoid situations where our personal interests interfere with the Company's interests.

Many conflict of interest situations are obvious, but others are not. They include:

**No Insider Trading:** We do not trade in Company stock on the basis of material, non-public information concerning the Company, nor do we "tip" others who could reasonably be expected to trade in Company securities. Confidential information should not be shared with others, even with other employees (unless of course they have a reasonable business reason for knowing it).

**Corporate Opportunities:** We do not personally take investment or other corporate opportunities that become available to us as a result of employment. The test for this is simple do not personally take opportunities that are discovered through the use of Company property, information or your position with the Company, excluding customary business entertainment involving nominal amounts as described below. We don't give business to any firm in which we know an employee has an ownership or other interest (except for small investments in publicly traded companies). Many of us are also subject to non-competition restrictions, or prohibitions against soliciting customers, distributors or employees, any or all of which may apply even after termination of employment. As a matter of policy, we must vigorously enforce these kinds of limitations, whether they arise under employment or stock option agreements or otherwise.

**Competition and Fair Dealing:** We endeavor to always deal fairly with the Company's customers, suppliers, competitors and employees. We outperform our competitors through our innovation, execution and hard work, not unethical or illegal business practices like stealing competitively sensitive information or improper inducements.

**Business Entertainment and Gifts:** Business entertainment and gifts are meant to create goodwill and sound working relationships, not to gain unfair advantage with customers or suppliers. Neither we nor our family members may offer, give or accept any gift or entertainment unless it is not in cash, is only nominal in value, does not violate any law or regulation and is consistent with customary business practices. You should contact the General Counsel with any questions about whether it is permissible to accept or give any gift or entertainment.

## **Discrimination and Harassment**

We provide equal opportunity in all aspects of employment and will not tolerate discrimination or harassment of any kind. Derogatory comments based on racial or ethnic characteristics, unwelcome sexual advances and similar behavior is prohibited.

## **Health and Safety**

We strive to provide a safe and healthful work environment. We can help ensure a safe work environment by following safety and health rules and practices and promptly reporting accidents, injuries and unsafe equipment, practices or conditions to a supervisor or senior manager. We report to work in condition to perform our duties at our best, and do not tolerate the use of alcohol or illegal drugs in the workplace.

## **Accounting and Record-Keeping**

We require honest and accurate recording and reporting of information in order to make responsible business decisions and accurately calculate our financial results. We must document and record our Company's business affairs accurately. Unrecorded or "off the books" funds or other assets, charges or obligations are strictly prohibited, as are special billing or payment procedures that suggest evasion of tax or other requirements by the other party to them.

## **Public Reporting**

Harman International is a public company and as a result files reports and other documents with the Securities and Exchange Commission (SEC). We maintain disclosure procedures designed to ensure that the information included in the reports or other documents that we file or submit to the SEC is collected and communicated to senior management in order to permit timely disclosure of required information. Our objective is to always make accurate and understandable disclosure in reports and documents we file with the SEC and in our other public communications.

As a result, when called upon, all of us must cooperate and fairly communicate with our internal and outside auditors. Moreover, while it is, of course, fine to argue the merits of your point of view, it is illegal to take any action to fraudulently influence, coerce, manipulate or mislead any internal or external auditor engaged in the performance of an audit.

The laws and regulations applicable to filings made with the SEC, including those applicable to accounting matters, are complicated. If you have questions or are uncertain as to how our disclosure controls and procedures may apply in a specific circumstance, promptly contact your supervisor or a more senior manager.

## **Confidentiality**

We are committed to protecting confidential information relating to the Company. Confidential information includes proprietary information such as our trade secrets, marketing plans, forecasts, designs, databases and employee information, as well as any other non-public information that might be of use to competitors or harmful to us or our customers if disclosed. It also includes information that others have entrusted to us on a confidential basis. Our obligations not to disclose confidential information continue even after employment ends.

## **Protection and Proper Use of Assets**

Theft, careless treatment and waste of Company assets have a direct impact on our profitability. All Company assets should, therefore, be properly protected and used only for legitimate business purposes. In addition, people sometimes forget that reproducing licensed software (except for backup and security purposes) or other copyrighted material without authorization violates U.S. copyright law and can subject both the Company and any employee or representative making such copies to serious legal consequences. Any suspected incident of fraud, theft or similar improper conduct should be immediately reported.

## **Reporting any Illegal or Unethical Behavior; Enforcement**

Each of us must work to ensure prompt and consistent action against unethical or illegal behavior. A violation of our Company rules, including any provision of this Code of Conduct, may be easy to recognize and should be promptly reported to a supervisor or, if appropriate, a senior manager. However, in some situations it may be difficult to know right from wrong. Since none of us can anticipate every situation that will arise, it is important that we have a way to approach a new or sensitive question or problem. The important thing to remember is to ask first, act later. Here are some questions that could be asked.

1. What do I need to know? In order to reach the right solutions, we must be as fully informed as possible.

2. What specifically am I being asked to do? Does it feel unethical or improper? This will focus the inquiry on the specific action in question, and the available alternatives. Use judgment and common sense; if something feels unethical or improper, it probably is.
3. What is my responsibility? In most situations, there is shared responsibility. Should colleagues be informed? It may help to get others involved and discuss the issue. However, you should do this with care so you don't expose yourself to criticism or even litigation if your suspicions prove to have been unfounded.
4. Have I discussed the issue with a supervisor? This is the basic guidance for all situations. In many cases, a supervisor will be more knowledgeable about the question, may know the right senior manager to talk to and will appreciate being brought into the decision-making process. Remember that it is the supervisor's responsibility to help solve problems.
5. Should I seek help from management? In the rare case where it may not be appropriate to discuss an issue with a supervisor, or if approaching a supervisor with your question makes you uncomfortable, you should feel completely free to discuss it locally with the human resources manager in your office or if you prefer a more senior manager.

The Company does not allow retaliation of any type for good faith reports of misconduct by others. Any employee that is found to have engaged in retaliatory activities will be subject to disciplinary action, up to and including termination of his or her employment with the Company. A knowing violation of this anti-retaliation policy could also constitute a federal crime punishable with a fine, imprisonment or both.

Should an employee believe that he or she has been discriminated against because he or she filed a complaint or cooperated in an investigation of alleged misconduct, the employee should immediately report in writing to the General Counsel the basis for this belief and the alleged retaliatory action.

### **Implementation and Enforcement**

Our Board of Directors has adopted this Code of Conduct and has instructed that it be published and enforced. Acts by employees or representatives that violate this Code will be considered outside the scope of employment or representation and may result in disciplinary action and legal sanctions being taken against you, including where appropriate the immediate termination of employment.

Any employee who has exhausted normal reporting procedures or concludes that the normal procedures is not feasible under the circumstances, should report the matter as described on our website. All reports of possible violations about which management becomes aware will be promptly considered and, if asked, we will protect the anonymity of reporting employees, to the maximum extent we can under the circumstances. We will not punish any employee or representative for making any report in good faith, regardless of how it ultimately comes out.

### **Conclusion**

The Company's reputation depends, to a very large measure, on you taking personal responsibility for maintaining and adhering to the policies and guidelines set forth in this Code. Your cooperation in this regard is appreciated.